

The Medical Community of Illinois Urges a “NO” Vote on HB3815 and SB2100

The proposal to establish the Illinois Regenerative Medicine Institute to oversee embryonic stem cell research is an idea with considerable merit. But the Illinois medical community opposes imposition of a new tax on medical procedures, specifically cosmetic surgery, as a means of funding this program. If the General Assembly moves forward with this stem cell research proposal, the medical community respectfully requests that lawmakers use a revenue source other than the proposed tax on people who have cosmetic surgery. For example, it would be far more appropriate to tax acknowledged public health threats such as tobacco, alcohol, fast foods with high fat content or handguns.

The tax is medically and ethically ambiguous.

The proposed tax on people who undergo cosmetic surgery procedures is medically and ethically ambiguous. The line between cosmetic and reconstructive is often unclear. Consider the following kinds of surgical procedures that could be taxed under this bill:

- Breast reduction surgery
- Surgery to remove excess flesh after potentially life-saving gastric bypass surgery
- Surgery to correct sagging and deflated breast tissue resulting from breastfeeding multiple children
- Cosmetic surgeries, following reconstructive surgery, to improve the appearance of accident victims
- Laser treatment of leg veins
- Cosmetic dentistry to correct problems resulting from poor childhood dental hygiene

This tax would set a dangerous precedent, putting state legislators and state agency bureaucrats in the role of medical professional.

Under this proposal, state legislators and state tax auditors would be making medically and ethically complex decisions rather than medical doctors. This tax sets a dangerous precedent in health care. Where do we go from here – taxing other elective procedures such as lasik eye surgery or gastric bypass surgery? This is a very, very slippery slope. Even if a procedure were deemed purely cosmetic in nature, is it the role of state legislators and state agency bureaucrats to sit in judgment and say that treatment does not in some way improve the psychological health of the patient and therefore should be taxed? Should we in effect punish people for seeking such procedures? Numerous scientific studies, published in peer-reviewed medical journals, have proven the positive psychological value of cosmetic plastic surgery.

A tax on cosmetic surgery discriminates against working women.

Contrary to popular belief, most cosmetic surgery is performed on working women. The American Society of Plastic Surgeons reports that 86 percent of cosmetic surgery patients are working women. In the first research of its kind, conducted in 2004 with people planning to have cosmetic surgery within the next two years, 60 percent of respondents reported a household income between \$30,000 and \$90,000 a year. And 40 percent of that 60 percent reported incomes in the \$30,000 to \$60,000 range.

It is wrong to tax medical services of any kind.

Why would we tax one type of medical procedure to pay for another? And why impose a tax burden on people seeking medical procedures – surgeries that in this case at the very least have a positive psychological benefit? If the goal is to improve health care through funding of stem cell research, we should tax acknowledged public health threats such as tobacco, alcohol, high-fat fast foods and semi-automatic assault weapons.

“It gets into an area of taxation in Illinois that we have not historically taxed. It leads one to ask the question, notwithstanding the ethical considerations, where do you draw the line?This...gets in uncharted waters for Illinois. This would be a fairly radical departure from where we’ve been the last 80 years or so.”

(Tim Bramlet, executive director, Taxpayers Federation of Illinois, quoted in Belleville News-Democrat, November 30, 2004)

“Why should plastic surgeons foot the bill for stem cell research? Previous special-purpose bond issues have been backed by taxes on businesses that derive direct benefits from the project financed by the bonds.”

(Crain’s Chicago Business editorial, November 29, 2004)

A tax on cosmetic surgery is an unreliable, risky revenue source.

New Jersey, the only state with a tax on cosmetic surgery, is collecting only 25 percent of projected revenue in its first year of implementation. In addition to overestimating revenue collections, New Jersey legislators greatly underestimated the administrative burden in collecting the tax. The only other state to establish a stem cell research program, California, relies upon general revenues for funding. Other states considering stem cell research programs also are proposing to use general revenues.

The following organizations urge a “NO” vote on House Bill 3815 and Senate Bill 2100

- The Illinois State Medical Society
- American Academy of Dermatology (based in Schaumburg)
- American Academy of Facial Plastic and Reconstructive Surgery
- American Academy of Ophthalmology
- American Academy of Otolaryngology-Head and Neck Surgery
- American College of Surgeons (based in Chicago)
- American Medical Association
- American Society of Aesthetic Plastic Surgeons
- American Society for Dermatologic Surgery (based in Chicago)
- The American Society of Plastic Surgeons (based in Arlington Heights, IL)

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